

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

TRANSFERRING BOUND PRINTED MATTER  
PARCELS TO THE COMPETITIVE PRODUCT  
LIST

Docket No. MC2021-78

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO QUESTION 7 OF  
CHAIRMAN'S INFORMATION REQUEST NO. 3  
(April 29, 2021)

The United States Postal Service hereby provides its response Chairman's Information Request No. 3, Question 7, issued on April 16, 2021. The Postal Service filed response to all other questions on April 23, 2021, reserving response to this question while determining whether responsive studies and analyses existed. Having located responsive information, the Postal Service files its answers with an appropriate motion and a request for non-public treatment. The Postal Service is filing a substantially identical response to Chairman's Information Request No. 1, Question 9b, under separate cover.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Nabeel R. Cheema,  
Chief Counsel, Pricing & Product Support

Michael Gross

475 L'Enfant Plaza, S.W.  
Washington, D.C. 20260-1101  
(202) 268-6915  
Michael.I.Gross@usps.gov  
April 29, 2021

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 3 – Question 7**

7. Please refer to pages 7-8 of the Request where it states, “UPS and FedEx commercial customers generally do not pay published rates but rather obtain negotiated rates such that the average rates actually paid are lower than the published rates would suggest.”
- a. On average, how much lower than published rates are UPS Ground and FedEx Ground negotiated rates? Please provide the basis of your response and all underlying calculations.
  - b. On average, how much lower than published rates are UPS Ground and FedEx Ground negotiated rates for parcels that are eligible for Bound Printed Matter Parcel rates? Please provide the basis of your response and all underlying calculations.
  - c. Please provide all Postal Service studies regarding how much lower UPS Ground and FedEx Ground negotiated rates are than published rates.

**Response:**

As to Questions 7a and 7b, the Postal Service does not have this specific information.

As to Question 7c, that information, given in Attachment A, below, is filed under seal with a motion for non-public treatment. The information was provided to it by a third party, the Colography Group, Inc., which retains a proprietary interest in the information. Acting under 39 C.F.R. § 200(b), the Postal Service notified Colography of the Chairman's information request and received its consent to provide this answer under seal.

**Attachment A:**  
**Studies and Analysis Showing Discounted UPS Ground and FedEx Ground Pricing**

- Discounts on [REDACTED] ground shipping [REDACTED]  
[REDACTED] promotional  
discounting [REDACTED]

[illegible][illegible]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED] commercial carriers  
offer larger discounts off published rates [REDACTED]  
[REDACTED]

- 1) **Higher discounts** – [REDACTED]  
[REDACTED]  
[REDACTED]
  - [REDACTED]  
[REDACTED]
  - [REDACTED] [REDACTED]  
[REDACTED]  
[REDACTED]
  - [REDACTED] [REDACTED]  
[REDACTED]  
[REDACTED]
  - [REDACTED] [REDACTED]  
[REDACTED]  
[REDACTED]
    - [REDACTED]
  - [REDACTED] [REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]

## GROUND

- [REDACTED] leverage discounted rates [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[REDACTED]

■ [REDACTED]

[REDACTED]

■ [REDACTED]





[REDACTED]

[REDACTED]

## SALES COMMUNICATION

### Sample UPS Savings

Curious what kind of savings you'll see with the new rates? Here are a few samples, showcasing the savings of the UPS Digital Access Program on Shippo versus UPS daily rates.

 1DC® Ground Residential Atlanta to Miami <del>\$16.88</del> 50% savings <b>\$8.40</b> 2 lb. package	 1DC® Ground Residential Chicago to Atlanta <del>\$18.90</del> 47% savings <b>\$10.08</b> 7 lb. package
 UPS® Ground Residential Los Angeles to San Bernadino <del>\$17.52</del> 44% savings <b>\$9.76</b> 10 lb. package	 UPS 2nd Day Air® Residential New York to Atlanta <del>\$37.15</del> 60% savings <b>\$14.78</b> 3 lb. package

 UPS® Ground Residential Miami to Los Angeles <del>\$23.41</del> 32% savings <b>\$15.79</b> 8 lb. package	 UPS 2nd Day Air® Residential Atlanta to Dallas <del>\$34.15</del> 61% savings <b>\$13.38</b> 2 lb. package	 UPS Worldwide Saver® Los Angeles to Calgary <del>\$102.86</del> 71% savings <b>\$29.66</b> 1 lb. package
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